

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

THE PEOPLE OF THE STATE OF NEW YORK

-against-

VILMA BAUTISTA,
CHAIYOT JANSEN NAVALAKSANA, and
PONGSAK NAVALAKSANA

Defendants.

Indictment No. 4930/2012

THE GRAND JURY OF THE COUNTY OF NEW YORK, by this indictment, accuses the defendants of the crime of **CONSPIRACY IN THE FOURTH DEGREE**, in violation of Penal Law §105.10(1), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from on or about July 1, 2009 to on or about July 30, 2011, with intent that conduct constituting a class B and class C felony, to wit, Grand Larceny in the First Degree, Grand Larceny in the Second Degree, Criminal Possession of Stolen Property in the First Degree, Criminal Possession of Stolen Property in the Second Degree, and Criminal Tax Fraud in the First Degree be performed, did agree with one and more persons to engage in and cause the performance of such conduct in that the defendants and others agreed to possess, sell, and attempt to sell valuable paintings they did not own, keep the proceeds for themselves, and hide the proceeds from the government and tax authorities.

Background of the Conspiracy

Defendant Vilma Bautista was employed by the government of the Philippines as a Foreign Service Officer assigned to the Philippine Mission to the United Nations in New York from the early 1970s until in or around 1986. Unofficially, during that period, and for

some time after, defendant Bautista acted as the New York-based personal secretary of Imelda Marcos, the former First Lady of the Philippines.

Imelda Marcos's husband, Ferdinand Marcos (deceased), served as President of the Philippines from 1965 to 1986. Ferdinand and Imelda Marcos fled the Philippines in February 1986 following a special presidential election and popular revolt. In the period of time immediately before and after the fall of the Marcos regime, a significant amount of artwork and other valuables disappeared from Philippine government property. Some of this property had been in a townhouse located at 13-15 East 66th Street in Manhattan (the "Philippine Townhouse") which at one point had housed the Philippine Consulate and Mission to the United Nations. During her husband's presidency, Imelda Marcos converted the Philippine Townhouse to her personal use and decorated it with valuable works of art, furniture, and antiques.

The Object of the Conspiracy

In or after February 1986, defendant Bautista came into possession of numerous works of valuable art acquired by the Marcoses during Ferdinand Marcos's presidency, including the following paintings (hereinafter, collectively "the Paintings"):

- **Claude Monet's "Le Bassin aux Nymphéas"** (also known as "Japanese Footbridge Over the Water-Lily Pond at Giverny") (1899) (the "**Water-Lily**" painting);
- **Claude Monet's "L'Eglise et La Seine à Vétheuil"** (also known as "L'Eglise à Vétheuil" (1881) (the "**Vetheuil**" painting);
- **Alfred Sisley's "Langland Bay"** (1887); and
- **Albert Marquet's "Le Cypres de Djénan Sidi Said"** (also known as "**Algerian View**") (1946).

While acting as First Lady of the Philippines, Imelda Marcos purchased the first three Paintings in the 1970s at a London gallery, and took possession of them with instructions to deliver two of the Paintings, the “Vetheuil” and “Langland Bay,” to the Malacanang Palace in the Philippines (the state residence of the Philippine president), while taking possession of the “Water-Lily” painting herself. The “Vetheuil” and “Langland Bay” paintings later were shipped out of the country and hung on the walls of the Philippine Townhouse located in Manhattan.

The fourth painting – “Algerian View” – was acquired by the Metropolitan Museum in Manila, Philippines and was later shipped to Imelda Marcos in New York City with several other paintings in 1982.

Each of the four Paintings disappeared in 1986 around the time the Marcoses fell from power, and each ended up in defendant Vilma Bautista’s possession.

The goal of the conspirators – defendant Vilma Bautista and her two nephews, defendants Chaiyot Jansen Navalaksana and Pongsak Navalaksana, along with other relatives, friends, and associates – was to obtain and keep money by possessing and selling the Paintings and keeping the proceeds for themselves tax-free.

The Conspiracy

The roots of the conspiracy extend back to the early 1990s when Co-Conspirator #1, a relative of the defendants, convinced a notary to falsely certify a document bearing the alleged signature of Imelda Marcos, and purporting to grant defendant Bautista the authority to sell paintings on behalf of Mrs. Marcos. This

document, or “Certificate of Authority,” as it was called, was dated June 21, 1991, and had a large blank section in the middle where the specific paintings could be identified.

Eighteen years later, defendant Bautista and her co-conspirators sought to (and in one case did) use this Certificate of Authority (“Certificate”) and other illicit means to sell the Paintings that defendant Bautista had secretly possessed for many years. The conspirators hid their conduct from Imelda Marcos and the Philippines government, as well as from the New York State tax authorities.

Initial efforts to sell the Paintings

The conspirators agreed to offer the Paintings for sale beginning in or about July 2009 by enlisting the aid of Co-Conspirator #2, a friend and associate of defendant Chaiyot Jansen Navalaksana located in Thailand, to find a buyer for the Monet “Water-Lily” painting on the black market. The conspirators acknowledged that the painting would sell for less on the “black market,” at one point stating that they would accept \$30 million for the “Water-Lily” despite what they believed to be its market value of more than \$40 million. In furtherance of the conspiracy, the conspirators transmitted photos of the Paintings in their possession to Co-Conspirator #2, including photos of the “Water-Lily” and the Marquet “Algerian View.” (Later, the conspirators would offer for sale and send photos of the Monet “Vetheuil” and the Sisley “Langland Bay” paintings as well.)

The conspirators acknowledged to each other that in order to accomplish their goal, they would need to have the Paintings authenticated and transported internationally without detection and confiscation.

In August 2009 the conspirators delayed their initial attempt to sell the Paintings, citing that it was “too risky..might get busted..and prices too low in black market”.

Attempt to sell the Monet “Vetheuil” painting

In January 2010, the conspirators continued their efforts to sell the Paintings, and again enlisted their Thai contact, Co-Conspirator #2, this time focusing their attention on finding a buyer for the Monet “Vetheuil” painting. They sought \$20 million, but later lowered the amount they were seeking to \$5 million. To assist their efforts, they sent photos of the front and back of the painting to Co-Conspirator #2, but acknowledged to each other that the process of authenticating the painting would be a significant hurdle, which was “scary” and could result in “jail.” To avoid this risk, the conspirators agreed to enlist an attorney to act as a “front” in the authentication process to avoid arrest and the confiscation of the painting, which the conspirators acknowledged “could be classified as stolen goods.” And, when a potential buyer surfaced in late January 2010, the conspirators discussed the need to “lie low” after the sale.

Failed attempt to sell the Monet “Water-Lily” painting

Ultimately, the conspirators were not able to sell the Monet “Vetheuil” painting in January 2010 and turned their attention back to trying to sell the “most precious one” – the Monet “Water-Lily” painting. They enlisted the aid of Co-Conspirator #3, a close associate and advisor to defendant Bautista.

The conspirators agreed that they needed to bolster defendant Bautista’s claim of legal possession of the painting and authority to sell it. To that end, in

February 2010, the conspirators agreed to alter the 1991 Certificate by typing in the name of the Monet: “Japanese Footbridge Over the Water-Lily Pond in Giverny.”

Further, the conspirators enlisted the services of two Manhattan real estate brokers (Real Estate Broker #1 and Real Estate Broker #2) to find a buyer, present the completed Certificate, and act as their representatives in the sale process. One of the brokers quickly identified a potential buyer in Manhattan and arranged a meeting at defendant Bautista’s apartment in Manhattan, where the conspirators presented the “Water-Lily” painting to the potential buyer. The conspirators sought a sale price of \$35,000,000.

However, the potential buyer raised questions about legal title to the “Water-Lily,” the validity of the 19-year-old Certificate, and defendant Bautista’s authority to sell the painting. The conspirators could not produce an updated Certificate or any additional authority for defendant Bautista’s right to possess and sell the “Water-Lily” painting, and the sale collapsed in the Spring of 2010.

Completed sale of the “Water-Lily” painting

Undeterred, the conspirators and Real Estate Broker #1 and Real Estate Broker #2 enlisted the help of a European contact in the Summer of 2010 who identified a second potential buyer for the “Water-Lily” painting located in London, England. In order to expedite the sale, the conspirators agreed to reduce their asking price to \$32,000,000.

As with the previous potential buyer, the London buyer also raised questions about legal title to the painting, its ownership history, whether defendant Bautista

had the authority to possess and sell it, and the validity of the 1991 Certificate. The buyer expressed a desire for Imelda Marcos herself to address these concerns.

The conspirators represented to the buyer that it was impossible to contact Imelda Marcos directly or to obtain further documentation. However, in emails they sent to each other during this time period, the conspirators discussed that Imelda Marcos was about to come to New York, and expressed their worry that the potential buyer would find out and want to speak to her.

To accomplish the sale, Co-Conspirator #3 and defendant Bautista drafted a letter in which they made assertions that addressed the buyer's concerns. Five days after submitting this letter, the sale of the "Water-Lily" painting was accomplished. On September 14, 2010, approximately \$28 million was deposited into an account held in the name of defendant Bautista, and approximately \$4 million was deposited into an account jointly held by defendant Bautista and Real Estate Broker #1 and Real Estate Broker #2, with the two brokers withdrawing the \$4 million shortly thereafter as their commission for the sale.

Distribution of the "Water-Lily" sale proceeds

Beginning the day after the sale on September 14, 2010, and continuing through July 2011, defendant Bautista distributed more than \$13 million of the \$28 million she received for the sale directly to or for the benefit of herself and her co-conspirators, including: (1) a \$5 million transfer to an account held in the name of defendant Pongsak Navalaksana in Hong Kong; (2) a \$100,000 transfer to an account held in the name of defendant Chaiyot Jansen Navalaksana in Hong Kong; (3) \$2.7 million in checks made payable to Co-Conspirator #3 and his family

members; (4) approximately \$2.2 million in payments toward the purchase of a condominium in the name of Co-Conspirator #1 and another relative of defendant Bautista's; (5) approximately \$800,000 in personal cash withdrawals and debt repayments by defendant Bautista; (6) approximately \$1.3 million for the purchase of insurance and annuity products in the name of defendant Bautista and to repay outstanding loans against an insurance policy in the name of defendant Bautista; and (7) a \$637,000 payment to satisfy a mortgage held in the name of defendant Bautista.

Hiding the sale and proceeds from the tax authorities

Following the sale of the "Water-Lily" painting, the conspirators made efforts to sell an additional Painting, Sisley's "Langland Bay," and continued to take steps to ensure that the "Water-Lily" sale and their receipt of the proceeds remained secret.

To that end, in March and April 2011, when the time came to file income tax returns, the conspirators failed to disclose any information about the sale or their receipt of the proceeds on their New York State tax returns. In particular, defendant Bautista reported approximately \$11,000 in income from all sources on her 2010 New York State Resident Income Tax Return, and defendant Chaiyot Jansen Navalaksana reported negative \$242 in income from all sources on his 2010 New York State Resident Income Tax Return. Thereby, the conspirators not only achieved their goal of continuing to avoid detection, but illegally avoided millions of dollars in state taxes.

OVERT ACTS

In the course of and in furtherance of the conspiracy, the conspirators committed and caused to be committed, in the County of New York and elsewhere, the following overt acts:

1. On or about July 30, 2009, defendant Chaiyot Jansen Navalaksana transmitted an email to Co-Conspirator #2, located in Thailand, stating, in sum and substance, “I have a Monet, and a couple other paintings that are very expensive that i need to sell The name of the Monet is Water Lilies.”¹

2. On or about July 30, 2009, defendant Chaiyot Jansen Navalaksana transmitted an email to Co-Conspirator #2 with photographic images attached, stating, in sum and substance, “1 more painting..this time by Marquet.”

3. On or about July 31, 2009, defendant Pongsak Navalaksana transmitted an email to defendant Chaiyot Jansen Navalaksana stating, in sum and substance, “The buyer first then work on how to actually authenticate the painting then if everything goes through need to figure out how to get the paintings across international boundaries. Oh and how much is tita isa [defendant Vilma Bautista] willing to sell the painting as well.”

4. On or about July 31, 2009, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana with photographic images attached, and stating, in sum and substance, “here is the picture of the Monet...its part of a series called Water Lilies...the last being auctioned off for over \$40 million dollars. As its black market Tita Isa [defendant Vilma Bautista] will even take \$30 million.”

¹ The emails quoted in this section contain spelling and grammatical mistakes too numerous to individually note with a [sic] reference.

5. On or about August 1, 2009, defendants Chaiyot Jansen Navalaksana and Pongsak Navalaksana engaged in an email exchange in which, in sum and substance, defendant Chaiyot Jansen Navalaksana stated, “Stop all sales...we decided not to move forward,” and “too risky..might get busted..and prices would be too low in black market. . . . Tita Isa [defendant Vilma Bautista] said ‘soon’.”

6. On or about December 18, 2009, defendant Chaiyot Jansen Navalaksana and Co-Conspirator #2 engaged in an email exchange in which defendant Chaiyot Jansen Navalaksana stated, in sum and substance, “Basically everything is on sale at this point” and “We’ll see its better to explore options first..in the end it [“The Monet”] might just get confiscated.”

7. On or about January 5, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana with photographic images attached, and stating, in sum and substance, “I think I will go back and take more pics of the painting while it is hoisted on a wall and not on the floor...but these should do for now.” The first photographic image attached depicts a label with, among other things, “Claude Monet” and “L’Eglise et la Seine a Vetheuil” typed on the label, followed by several photographic images of a painting and frame.

8. On or about January 6, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “If you look at the tags I took photo of..its a Claude Monet painting from 1881....its called L’Eglise et la Seine a Vetheuil The good part is that it says OWNER: ANONYMOUS I’m looking for \$20 million....but would like an offer as well If the question is why it is being sold, its for tax purposes mainly and to avoid

commission from the auction houses which can run up to 20 – 25%. If asked how you came across the painting, just say I met someone anonymous.”

9. On or about January 7, 2010, defendant Chaoyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “here is a link to various monet paintings....including the one we have. . . . I just compared each line and stroke, even the shading, its very similar. I will still need to get it authenticated though. Here I have found a couple places already, however, for masterpieces, in the final stage of process, they will need to actually see the painting which is kind of scary. Therefore, I just mentioned to [Co-Conspirator #2] that i would like the number of his contact in europe to do it. Someone he trusts. But I did not tell him I am selling..however, I am debating whether to use him as a front to just put another layer of protection. Also, good news is that they have its location as PRIVATE COLLECTION. I will go back to NY early to do more analysis of my own (smell, texture, more pics).”

10. On or about January 9, 2010, defendant Chaoyot Jansen Navalaksana transmitted an email to Co-Conspirator #2 with photographic images attached, and stating, in sum and substance, “as always, this stuff is all confidential, please don’t forward my actual email to anyone. To cut the bullshit, I am going to sell the painting If you can get a buyer for me, I will gladly give you a nice commission upon sale A painting I have is the Church and the Seine at Vetheuil from 1881 (please see attached pics with all the tags and the original frame) The challenges are this: 1) Authentication 2) Baselineing the price.”

11. On or about January 15, 2010, defendant Pongsak Navalaksana transmitted an email to defendant Chaiyot Jansen Navalaksana stating, in sum and substance, “As for the painting I will tell Bee that we will slow it down to a month or so due to authentication procedures and legal paperwork, that should stall him long enough for you to get me a condition report etc...Also if it fails I will also have a exit strategy with Bee saying that the person selling it changed there mind, or something happened to the person since I did not mention your name or any of our family names in this deal, only mentioned it was some former influential filipino politician that I was trying to broker a deal for, Thus I don’t piss him off and at least I can still keep my Job and good standing with him and at least blame it on some idiot politician.”

12. On or about January 16, 2010, after defendant Pongsak Navalaksana transmitted an email to defendant Chaiyot Jansen Navalaksana stating, in sum and substance, “1. What is the provenience. 2. The literature (Publication concerning the painting). 3. Condition report. 4. Price. Let me ASAP,” Chaiyot Jansen Navalaksana replied, in sum and substance, “I will try to get better pictures tonight” and “I don’t care if it takes time, I don’t want to go to jail when I take it to be authenticated.”

13. On or about January 16, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “Tita Isa [defendant Vilma Bautista] is at the hospital with Tita Boss and she’s preoccupied with Tita Boss and keeps on telling me not to talk to her on phone so its tough. . . . And now tita boss is staying at Boston recovering so picture taking is tough – but I’ll find a way. Anyways, I did not want to waste time, so I went ahead and I have found a lawyer My idea, if she will accept, is for her to be my front to get it

authenticated. If anyone was to be arrested it would be during the actual authentication when it has to be checked out, therefore, if she does it..she is protecting me due to client privilege and cannot disclose whom I am.”

14. On or about January 19, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “okay..i just need to be careful or a) I might get arrested b) it gets confiscated...so my meeting with lawyer is on Thu. is important. Any chance Bee might know someone personally that he can recommend..like a friend of a friend that can authenticate it? ... Right now I am going to authenticate it via someone i found online after I chat with lawyer.”

15. On or about January 25, 2010, Chaiyot Jansen Navalaksana transmitted and email to defendant Pongsak Navalaksana stating, in sum and substance, “I suggest Bee send someone to bring the item to BKK/SG where all the buyers can come to see (this protects me too as I will be in BKK/SG and not here where I risk trouble). However, if Bee and his contacts trust these people they can come view it here in the US. I will get a hotel conference room or something and bring it there...perhaps even the waldorf.”

16. On or about February 15, 2010, in New York County, defendant Vilma Bautista and Co-Conspirator #3 engaged two real estate brokers, Real Estate Broker #1 and Real Estate Broker #2, to locate a buyer and to represent Bautista in the sale of the Claude Monet painting, “Japanese Foot-Bridge Over the Water-Lily Pond in Giverny” (“Water-Lily”).

17. On or about February 25, 2010, in New York County, Real Estate Broker #2 contacted a representative of a potential buyer of the Monet “Water-Lily” painting and explained that she had a client with a valuable painting to sell, without identifying her client or the painting.

18. On or about March 8, 2010, in New York County, Real Estate Broker #2 met with the representative of the potential buyer of the Monet “Water-Lily” painting and presented the document labeled “Certificate of Authority” that purported to grant defendant Vilma Bautista the authority to sell Claude Monet’s “Japanese Footbridge Over the Water-Lily Pond in Giverny.”

19. On or about April 7, 2010, in New York County, defendant Vilma Bautista signed and caused to be transmitted a letter to the representative of the potential buyer of the Monet “Water-Lily” painting stating, in sum and substance, “This letter will serve as your authority to discuss the sale of the subject Painting to your client at a price of \$35,000,000 net to me. This authorization shall be in effect until 5:00 pm of Friday, April 9, 2010.”

20. On or about April 8, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “Yo..I need you to open that HSBC bank account, we may need to transfer money to it. Make sure it can receive payment of \$30 million, if possible put my name, if not its okay.”

21. On or about April 9, 2010, in New York County, defendants Vilma Bautista, Chaiyot Jansen Navalaksana, and Real Estate Broker #1 and Real Estate Broker #2 met with the representative of the potential buyer of the Monet “Water-Lily”

painting inside the apartment of defendant Vilma Bautista, and, among other things, showed the representative the painting, which was wrapped in a blanket.

22. On or about April 10, 2010, in New York County, defendant Chaiyot Jansen Navalaksana and Co-Conspirator #3 delivered the Monet “Water-Lily” in a van to display to the potential buyer.

23. On or about April 29, 2010, Co-Conspirator #3 transmitted an email to an attorney acting on behalf of the potential buyer of the Monet “Water-Lily” painting stating, in sum and substance, “In response to your inquiry regarding the Certificate of Authority, the Seller has represented, and will represent and warrant, that the Certificate of Authority has not been revoked or rescinded. Further, this is evidenced by the fact that the Seller is in possession of the Work being offered for sale.”

24. On or about May 14, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “Set up a corporation in BKK so I can transfer ownership of the painting to the corporation. The lawyers said by having the corporation..no questions asked...and which means eventually we can transfer all paintings to it to make it ‘clean.’ Your idea of a transfer to me is fraud and our lawyers say I’ll be in deep shit when it comes out. But as a corporation its legit and the lawyer will work on transferring the painting ownership to it from here.”

25. On or about August 25, 2010, in New York County, Co-Conspirator #3 delivered the fraudulently notarized “Certificate of Authority” to an attorney acting on behalf of the buyer of the Claude Monet “Water-Lily” painting.

26. On or about August 28, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “Big update on painting today. The buyer said they will accommodate Tita Isa [defendant Vilma Bautista] demands and ‘will find creative ways to get the documentation they need.’ So no more Certificate of Authorization..instead they will just have her sign a statement. Tita Isa will net \$32 on the sale before taxes btw....Tita Isa needs to get it done by the 20th of next month...the word is Mrs Marcos is returning to NY...if she does its not going to be good since it’ll be on the news and the buyers will want her to contact Mrs Marcos to get the letter.”

27. On or about September 9, 2010, Co-Conspirator #3 transmitted a “letter of explanation” signed by defendant Vilma Bautista to the attorney located in New York County and acting on behalf of the buyer of the Monet “Water-Lily” painting.

28. On or about September 9, 2010, Co-Conspirator #3 transmitted a letter signed by defendant Vilma Bautista to the attorney located in New York County and acting on behalf of the buyer of the Monet “Water-Lily” painting. The letter directed the attorney to “disburse the Purchase Price payable to me at the Closing as set forth in Schedule 1 attached hereto.”

29. On or about September 14, 2010, in New York County, defendant Vilma Bautista, defendant Chaiyot Jansen Navalaksana, Co-Conspirator #3, Real Estate Broker #1, and Real Estate Broker #2 participated in a closing of the sale of the Monet “Water-Lily” with a sale amount of \$32 million, with \$28,160,000 million being transferred to an account located in New York County in the name of Vilma Bautista.

30. On or about September 16, 2010, in New York County, defendant Vilma Bautista caused a \$100,000 payment to be made to an off-shore bank account in the name of defendant Chaiyot Jansen Navalaksana.

31. On or about September 16, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to Co-Conspirator #1 stating, in sum and substance, “top secret..I can’t go with you this weekend..I need to go to HK On saturday asap...we will move some of the money before mrs. Marcos gets here...I will then meet with Joseph [defendant Pongsak Navalaksana] and tita isa wants me to give him a bundle of caaaaaaaassshhhh....She will also pay me to ‘manage’ some of the money....”

32. On or about September 16, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana stating, in sum and substance, “Btw...just to get our stories straight..i’m going to visit you in BKK with Vincent...in case anyone asks.”

33. On or about September 21, 2010, in New York County, defendant Vilma Bautista caused a \$5,000,000 payment to be made to an off-shore bank account in the name of defendant Pongsak Navalaksana.

34. On October 17, 2010, defendant Chaiyot Jansen Navalaksana transmitted an email to defendant Pongsak Navalaksana with photograph images attached, and stating, in sum and substance, “Its called Langland Bay.by Sisley....there are a few that look like it with subtle differences...from 1897.”

35. On October 17, 2010, defendant Pongsak Navalaksana transmitted an email to an individual know to the Grand Jury with photographic images attached, and stating, in sum and substance, “Here is another painting a Sisley, about 1.5 million USD, if buyer is interested can send the Authenticator to NYC.”

36. On March 20, 2011, defendant Chaiyot Jansen Navalaksana filed a New York State resident income tax return for tax year 2010 omitting any reference to the sale of the “Water-Lily” painting or his receipt of \$100,000 as a result of the transaction.

37. On April 16, 2011, defendant Vilma Bautista filed a New York State resident income tax return for tax year 2010 omitting any reference to the sale of the “Water-Lily” painting or her receipt of \$28,160,000 as a result of the transaction.

SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant Vilma Bautista of the crime of **CRIMINAL TAX FRAUD IN THE FIRST DEGREE**, in violation of Tax Law §1806, committed as follows:

The defendant Vilma Bautista, in the County of New York and elsewhere, on or about April 16, 2011, committed a tax fraud act and, with the intent to evade any tax due under the Tax Law, and to defraud the state and any subdivision of the state, the defendant paid the state and a political subdivision of the state, by means of underpayment, in a period of not more than one year, in excess of one million dollars less than the tax liability that was due.

The defendant committed a tax fraud act by willfully engaging in the tax fraud act set forth in Tax Law §1801(a)(2), in that the defendant, knowing that returns, reports, statements, and other documents under the Tax Law, to wit, her 2010 New York Resident Income Tax Return (IT-201), contained materially false and fraudulent information, and omitted material information, filed and submitted that return, report, statement and document with the state and any political subdivision of the state, and with any public office and public officer of the state and any political subdivision of the state, to wit, the New York State Department of Taxation and Finance.

THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant Chaiyot Jansen Navalaksana of the crime of **CRIMINAL TAX FRAUD IN THE FOURTH DEGREE**, in violation of Tax Law §1803, committed as follows:

The defendant Chaiyot Jansen Navalaksana, in the County of New York and elsewhere, on or about March 20, 2011, committed a tax fraud act and, with the intent to evade any tax due under the Tax Law, and to defraud the state and any subdivision of the state, the defendant paid the state and a political subdivision of the state, by means of underpayment, in a period of not more than one year, in excess of three thousand dollars less than the tax liability that was due.

The defendant committed a tax fraud act by willfully engaging in the tax fraud act set forth in Tax Law §1801(a)(2), in that the defendant, knowing that returns, reports, statements, and other documents under the Tax Law, to wit, his 2010 New York Resident Income Tax Return (IT-201), contained materially false and fraudulent information, and omitted material information, filed and submitted that return, report, statement and document with the state and any political subdivision of the state, and with any public office and public officer of the state and any political subdivision of the state, to wit, the New York State Department of Taxation and Finance.

FOURTH COUNT

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant Vilma Bautista of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE**, in violation of Penal Law §175.35, committed as follows:

The defendant, in the County of New York and elsewhere, on or about April 16, 2011, knowing that a written instrument, to wit, a 2010 New York Resident Income Tax Return (IT-201), contained a false statement and false information and with intent to defraud the state and a political subdivision thereof, offered and presented it to a public office and public servant, to wit, the New York State Department of Taxation and Finance, with the knowledge and belief that it would be filed, registered, and recorded in and otherwise become a part of the records of such public office and public servant.

FIFTH COUNT

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant Chaiyot Jansen Navalaksana of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE**, in violation of Penal Law §175.35, committed as follows:

The defendant, in the County of New York and elsewhere, on or about March 20, 2011, knowing that a written instrument, to wit, a 2010 New York Resident Income Tax Return (IT-201), contained a false statement and false information and with intent to defraud the state and a political subdivision thereof, offered and presented it to a public office and public servant, to wit, the New York State Department of Taxation and Finance, with the knowledge and belief that it would be filed, registered, and recorded in and otherwise become a part of the records of such public office and public servant.

CYRUS R. VANCE, JR.
District Attorney

THE PEOPLE OF THE STATE OF NEW YORK

-against-

VILMA BAUTISTA,
CHAIYOT JANSEN NAVALAKSANA, and
PONGSAK NAVALAKSANA
Defendants.

INDICTMENT

CONSPIRACY IN THE FOURTH DEGREE, P.L. §105.10(1) (all defendants, 1 ct.)
CRIMINAL TAX FRAUD IN THE FIRST DEGREE, T.L. §1806 (defendant Vilma Bautista, 1 ct.)
CRIMINAL TAX FRAUD IN THE FOURTH DEGREE, T.L. §1803 (defendant Chaiyot Jansen Navalaksana, 1 ct.)
OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, P.L. §175.35 (defendant Vilma Bautista, 1 ct.;
defendant Chaiyot Jansen Navalaksana, 1 ct.)

CYRUS R. VANCE, JR.
District Attorney

ADA Edward Starishevsky
ADA Garrett Lynch

Foreperson

Major Economic Crimes Bureau

A True Bill